

HOUSE BILL REPORT

SHB 1961

As Passed House:
April 16, 2013

Title: An act relating to judicial stabilization trust account surcharges.

Brief Description: Extending the expiration date for judicial stabilization trust account surcharges.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Pedersen, Rodne, Hudgins, Hunter and Ryu; by request of Board For Judicial Administration).

Brief History:

Committee Activity:

Appropriations: 2/28/13 [DPS].

Floor Activity:

Passed House: 4/16/13, 91-5.

Brief Summary of Substitute Bill

- Extends the expiration date for surcharges on court filing fees that are deposited into the Judicial Stabilization Trust Account until July 1, 2017.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Alexander, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Carlyle, Cody, Dahlquist, Dunshee, Fagan, Green, Haigh, Haler, Harris, Hudgins, Hunt, Jinkins, Kagi, Maxwell, Morrell, Parker, Pedersen, Pettigrew, Pike, Ross, Schmick, Seaquist, Springer, Sullivan and Taylor.

Staff: Alex MacBain (786-7288).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Superior and district courts are authorized by statute to collect filing fees and other fees for court services. Revenue from superior court filing fees is split with 46 percent going to the state and the remainder going to the county and the county or regional law library. Revenue from district court filing fees is split with 32 percent going to the state and the remainder going to the county and the county or regional law library.

Legislation enacted in 2009 authorized temporary surcharges on filing fees in superior and district courts. Superior court filings were subject to a \$30 surcharge, except filings of an appeal from a court of limited jurisdiction, where the surcharge was \$20. District court filings were subject to a \$20 surcharge, except small claims filings, which were subject to a \$10 surcharge.

Legislation enacted in 2011 extended the surcharges until June 30, 2013, and split the revenue from the surcharges between the state and the county collecting the fee, with 75 percent going to the state and 25 percent going to the county. Local revenue going to the counties from the surcharges must be used to support local trial courts and court-related costs. Legislation enacted in 2012 generally increased the temporary surcharges on filing fees by \$10. The surcharges are set to expire on July 1, 2013.

The state revenue from surcharges must be remitted to the State Treasurer for deposit into the Judicial Stabilization Trust Account (Account). Expenditures from the Account may only be used for the support of judicial branch agencies. During the 2011-13 biennium, an estimated \$10.6 million will be deposited into the Account. Funds from the Account are appropriated for expenditures in the Administrative Office of the Courts, the Office of Public Defense, and the Office of Civil Legal Aid.

Summary of Substitute Bill:

The expiration date for surcharges on superior court and district court filings is extended until July 1, 2017.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2013.

Staff Summary of Public Testimony:

(In support) This bill is before you at the request of the Board for Judicial Administration (BJA). Last summer the BJA convened a workgroup to look at the broader issue of filing fees and options for longer term solutions. The workgroup did not settle on a long-term solution and will be continuing its work. The one thing the workgroup did unanimously agree on was that the surcharge in its current form should be continued for two more years. Failure to extend the surcharge could have the effect of leaving an \$11 million hole in the budgets for the Administrative Office of the Courts, the Office of Public Defense, and the Office of Civil Legal Aid. The Judicial Stabilization Trust Account was created four years ago as a bridge to better times. Unfortunately, those better times have not arrived yet. So

hopefully these surcharges will be extended for at least the next biennium. County clerks do not take lightly the increases for court filing fees, but agree that extending the surcharges is necessary. The counties appreciate the local share of the surcharges.

(Opposed) None.

Persons Testifying: Mellani McAleenan, Board for Judicial Administration and Administrative Office of the Courts; Sophia Byrd McSherry, Office of Public Defense; Jim Bamberger, Office of Civil Legal Aid; and James McMahan, Washington Association of County Officials.

Persons Signed In To Testify But Not Testifying: None.